

March 31, 2003

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San Francisco, Ca 94111

The Fremont Public Financing Authority and the City of Fremont, California hereby submit the annual report as of January 31, 2003 for the following bonds in accordance with SEC Rule 15c2-12(b)(5). Also enclosed is the Comprehensive Annual Financial Report of the City of Fremont for the fiscal year ended June 30, 2002.

Title: 1998 Certificate of Participation  
(1998 Capital Improvement Financing Project)  
Fremont Public Financing Authority  
Par: \$20,275,000.00  
Dated: May 2, 1998  
Final Maturity: August 1, 2011  
CUSIP #357122 GQ7

The report contains the financial information and operating data for the operating year as required by Section 3 of the Continuing Disclosure Certificate executed by the City of Fremont and the Fremont Public Financing Authority.

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Gloria del Rosario  
Revenue and Treasury Manager  
City of Fremont  
Fremont Public Financing Authority  
March 31, 2003

CITY OF FREMONT  
1998 CERTIFICATES OF PARTICIPATION  
1998 CAPITAL IMPROVEMENT FINANCING PROJECT  
ANNUAL REPORT  
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**1998 COP CAPITAL IMPROVEMENT BONDS**

**PRINCIPAL AND INTEREST OF 1998 COP CAPITAL IMPROVEMENT BONDS OUTSTANDING AS OF 1/31/02**

<u>NAME</u>	<u>DATE SOLD</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/03			\$ 324,268.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/03	4.250%	\$ 1,290,000.00	324,268.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/04			296,856.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/04	4.300%	1,335,000.00	296,856.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/05			268,153.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/05	4.400%	1,395,000.00	268,153.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/06			237,463.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/06	4.500%	1,460,000.00	237,463.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/07			204,613.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/07	4.500%	1,525,000.00	204,613.75
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/08			170,301.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/08	4.500%	1,590,000.00	170,301.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/09			134,526.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/09	4.600%	1,660,000.00	134,526.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/10			96,346.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/10	4.700%	1,740,000.00	96,346.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	02/01/11			55,456.25
1998 COP CAP.IMPRMNT BONDS	05/01/98	08/01/11	4.750%	2,335,000.00	55,456.25
TOTALS AS OF 1/31/02				<u>\$14,330,000.00</u>	<u>\$3,575,972.50</u>

**BALANCES IN 1998 COP CAPITAL IMPROVEMENT INTEREST ACCOUNT, PRINCIPAL ACCOUNT, REDEMPTION ACCOUNT, SURPLUS ACCOUNT, RESERVE ACCOUNT AND EQUIPMENT ACCOUNT AS OF 1/31/02:**

LEASE PAYMENT	\$324,269.00
RESERVE	<u>2,027,500</u>
TOTAL	<u>\$2,351,769.00</u>

**CITY OF FREMONT GENERAL FUND REVENUES AND BUDGET FOR 2001/02**

**CITY OF FREMONT**  
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	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Property Tax	\$ 32,458,000	\$ 31,516,106	\$ (941,894)
Sales Tax	34,257,000	29,195,816	(5,061,184)
Business Tax	5,699,000	5,655,770	(43,230)
Other Taxes	5,824,000	3,161,945	(2,662,055)
Motor Vehicle In Lieu	11,288,000	11,568,423	280,423
Franchises	6,902,000	7,466,757	564,757
Charges for Services	4,810,000	6,440,931	1,630,931
Intergovernmental	863,000	1,056,448	193,448
Investment Earnings	3,060,000	2,724,103	(335,897)
Other	311,000	510,250	199,250
<b>Total Revenues</b>	<b>\$ 105,472,000</b>	<b>\$ 99,296,549</b>	<b>\$ (6,175,451)</b>
<b>EXPENDITURES:</b>			
General Government	\$ 14,392,118	\$ 11,981,513	\$ 2,410,605
Police Department	38,496,862	37,270,907	1,225,955
Fire Department	24,663,331	23,651,021	1,012,310
Human Services	2,623,462.00	2,605,911.00	17,551
Community development environment	713,019	632,386	80,633
Capital Outlay	869,000	864,555	4,445
Interest and fiscal charges	760,000	713,915	46,085
<b>Total expenditures</b>	<b>\$ 82,517,792</b>	<b>\$ 77,720,208</b>	<b>\$ 4,797,584</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 22,954,208</b>	<b>\$ 21,576,341</b>	<b>\$ (1,377,867)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	\$ 8,256,826	\$ 6,375,962	\$ (1,880,864)
Operating transfers out	(38,357,078)	(37,909,779)	447,299
<b>Total other financing sources (uses)</b>	<b>\$ (30,100,252)</b>	<b>\$ (31,533,817)</b>	<b>\$ (1,433,565)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>			
	(7,146,044)	(9,957,476)	(2,811,432)
<b>FUND BALANCES, JUNE 30, 2001 as restated</b>	<b>33,177,335</b>	<b>46,503,785</b>	<b>13,326,450</b>
<b>FUND BALANCES, JUNE 30, 2002</b>	<b>\$ 26,031,291</b>	<b>\$ 36,546,309</b>	<b>\$ 10,515,018</b>

**CITY OF FREMONT PROPERTY TAX ASSESSED VALUES, LEVIES AND COLLECTIONS**

Fiscal year	<u>2001/02</u>
Gross assessed value	\$23,488,463,488
Net assessed value	22,900,425,051
Total tax levy	31,962,996
Current tax collections	30,260,493
Delinquent tax collections	732,220
Total tax collections	30,992,713

**CITY OF FREMONT SUMMARY OF INVESTMENTS AND INVESTMENT RETURN  
as of January 31, 2003**

<u>Type</u>	<u>Amount Carrying @ Fair Value</u>
Deposits with banks	\$ 254,158
U.S government securities	109,153,349

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Bankers' acceptances	5,949,307
Commercial paper	8,475,522
Medium term notes	29,037,135
Money market accounts	4,603,150
California Local Agency Investment	76,921,407
Cash on hand	19,355
Total	<u>\$ 234,413,383</u>

Average return on investments as of  
January 31, 2003 3.24%

**CITY OF FREMONT ANNUAL CONTRIBUTION TO THE PUBLIC EMPLOYEES'  
RETIREMENT SYSTEM FOR 2001/02**

City contribution	\$ 3,784,419
Employees contribution	5,807,870
Total contribution	<u>\$ 9,592,289</u>

Sources: City of Fremont, California Comprehensive Annual Financial Report  
for the Fiscal Year ended June 30, 2002 and Cash & Investment Report as of January 31, 2003

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TOTAL

324,268.75
1,614,268.75
296,856.25
1,631,856.25
268,153.75
1,663,153.75
237,463.75
1,697,463.75
204,613.75
1,729,613.75
170,301.25
1,760,301.25
134,526.25
1,794,526.25
96,346.25
1,836,346.25
55,456.25
2,390,456.25
<u>\$17,905,972.50</u>

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